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C O N F I D E N T I A L SAN SALVADOR 000036

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E.O. 12958: DECL: 01/10/2018

TAGS: PGOV PREL ES

SUBJECT: ARENA LAUNCHES CANDIDATE SELECTION PROCESS

REF: 2007 SAN SALVADOR 2000

Classified By: Ambassador Charles L. Glazer, Reason 1.4 (d)

11. (C) Summary: On January 7, ARENA responded to growing pressure to name a presidential candidate by announcing the selection process. The field of potential candidates has evolved rapidly with a number of well-known candidates, including Minister of Public Security Rene Figueroa and businessman Roberto Murray Meza, leaving the race and a number of lesser-known candidates generating some buzz. Ultimately, the ARENA candidate will be decided by March 15, though we may know the result even earlier. End Summary.

How We Got Here: FMLN Pressure on ARENA

- 12. (C) Ever since the FMLN announced its presidential ticket of Mauricio Funes and Salvador Sanchez Ceren in September 2007, pressure has been growing on ARENA to identify its own candidates. The Funes ticket has been polling strongly, in part because it is running against an as yet unnamed ARENA opponent. In the days after Funes' name was first mentioned publicly, Vice President Ana Vilma de Escobar and Minister of Public Security Rene Figueroa both announced their intention to seek ARENA's nomination to run for the Salvadoran Presidency. Long-time observers of Salvadoran politics will not be surprised that Roberto Murray Meza flirted several weeks with seeking ARENA's nomination, but pulled his name out of consideration January 7, the morning COENA (ARENA's National Executive Committee) announced the selection process for naming its candidate.
- 13. (C) Press reports the weekend of January 5 featured competing "top six" lists in El Salvador's top two dailies, which, combined with the Escobar and Figueroa candidacies, offered a potential lineup of ten candidates. However, the field is fluid, and several candidates have since appeared or bowed out. As of January 11, there are eight declared or presumed candidates (presented here in no particular order):

Ana Vilma de Escobar, Salvadoran VP
Federico Colorado, ANEP President (National Private
Enterprise Association)
Luis Mario Rodriguez, Legal Advisor to President Saca
Hugo Barrera, ARENA founding member
Francisco "Pancho" Lainez, Minister of Foreign Affairs
Jorge Nieto, Minister of Public Works
Eduardo Barrientos, ARENA founding member
Roberto del Cid, Evangelical pastor.

The Selection Process

¶4. (C) Since Funes' nomination, there has been a growing chorus of worry and discontent within ARENA, with a number of party members concerned with the lack of transparency in the selection process and the perceived advantage to the FMLN of

allowing Funes to campaign against an unnamed ARENA candidate. On January 7, President Saca announced the process by which ARENA will choose its presidential candidate and announced the creation of a commission to oversee the process to ensure transparency.

- 15. (C) Beginning on January 22, candidates will have seven days to announce their intention to seek the ARENA candidacy. Once the slate of candidates is determined, each will be interviewed by members of COENA and participate in three public debates, likely to be televised, which would be a first. The field of candidates will be reduced to three final contenders who will then be given the opportunity to lobby ARENA members under the supervision of COENA. On March 15, ARENA,s 15 sections (one per department plus one that represents the eight party sections) will vote by show of hands to select the candidate. In May, ARENA,s General Assembly will meet and officially announce the candidate.
- 16. (C) Cesar Funes, Rene Figueroa, Eduardo Zablah, and Roberto Murray Meza have all announced that they will not run for the presidency. According to Ruben Alvarez, ARENA Deputy Director of Youth Issues, additional candidates are likely to appear by the January 29 deadline. Media reports claim that both Figueroa and Murray Meza, who were considered to be strong contenders for the presidency, will likely use their influence to determine who will be the next candidate.
- 17. (C) Biographical info on remaining candidates as of January 11:

Vice President Ana Vilma de Escobar announced her pre-candidacy in September 2007. In 1999, Escobar was chosen by former President Flores as the Director of the Salvadoran Social Security Institute (ISSS), the nation,s public healthcare provider. Prior to her appointment, she worked for USAID for nine years managing programs designed to improve El Salvador,s economic development. She also has experience within the banking industry. Even though Escobar has been an active member of the ruling Nationalist Republican Alliance (ARENA) and is currently ARENA,s Executive Director, she has not garnered much party support for her candidacy.

Federico Colorado has been the President of ANEP (National Association of the Private Enterprise) since 2003. (Note: Current Salvadoran President Saca was President of ANEP when he was elected. End note.) Colorado has denied interest in running in the past, but media reports now suggest that he will announce his candidacy as long as he has his family,s support. He would have considerable support from the business community, which has significant influence over ARENA,s domestic policies.

Luis Mario Rodriguez currently serves as legal advisor to President Saca, and media sources report that Saca has mentioned Rodriguez as a potential candidate on several occasions; however, Rodriguez seems to lack a base of support within ARENA. He served as the Executive Director of ANEP under Saca from 1999-2004. At age 35, Rodriguez is the youngest potential candidate and is considered too young by many in ARENA; however, as a member of ARENA,s &new generation8 he may represent the future of the party. Unlike many of the other candidates, he seems enthusiastic and announced his intention to seek the nomination immediately after the selection process was revealed. (Comment: Age aside, Rodriguez comes across as presidential material. End comment.)

Hugo Barrera currently serves as the president of CEPA (the Salvadoran port and airport authority) and is an ARENA founder, but he created some resentment within ARENA when he left to form his own party, Patria Libre, in 1985. Although his business success leads some to believe that he could be a strong candidate against Funes and possibly capable of negotiating alliances with other parties, many consider him to be a member of ARENA's old guard; thus incapable of leading ARENA into the future. He served as the Minister of

Public Security under President Calderon Sol and is co-owner of the Diana Food Company, where he has had a tense relationship with employees. Barrera is unlikely to be the ARENA candidate because many believe him to represent party hard-liners, and many in ARENA believe that the party must move to the center to compete with the FMLN,s Funes. Barrera lacks charisma and may thus find it difficult to compete against the media savvy Funes.

Francisco &Pancho8 Lainez, Minister of Foreign Affairs, is a long-time party activist and former member of ARENA,s youth wing. Lainez is seen by some as a potentially strong candidate against the FMLN,s Funes; however, he has been coy about seeking the ARENA candidacy. According to media reports, Saca has also mentioned Lainez as a potential candidate and, if he chose to run, he would likely have strong party support. Press reports January 11 indicate Lainez will resign soon in order to pursue the ARENA nomination.

Jorge Nieto is the Minister of Public Works and is a former Minister of Labor. The media is reporting that Nieto announced his intention to run to Saca in a private meeting January 8 and that he plans to make announcement within the next few days. He does not have a particularly close relationship with Saca; however during his tenure as the Minister of Labor and Superintendent of SIGET (Superintendency of Telecommunications and Electricity) he was very pro-business. As a result, he would likely have significant support from the business community.

Eduardo Barrientos is a founder of ARENA and has strong support from other party founders. Barrientos was the first Director of the Youth Sector (1981-82). He is currently a private businessman and is likely to find some support within ARENA.

Roberto del Cid is an evangelical pastor who could have the support of the growing evangelical movement in El Salvador, an important constituency in the last presidential election. However, he is not likely to receive support from the majority of ARENA,s membership and thus remains a dark horse candidate.

- 18. (C) Comment: ARENA has been flailing internally since the FMLN's surprise announcement of a relatively (for the FMLN) moderate outsider as its candidate. The precipitous announcements of VP Escobar and Rene Figueroa, followed by months of rumor and speculation over Murray Meza's possible candidacy only added to internal ARENA fretting and the outward appearance of drift. The process announced by President Saca, and almost certain to be approved by COENA, will provide structure to the selection process and has left key ARENA officials confident the emerging candidate will have built a base of support among ARENA members and not have been simply anointed by President Saca. (This was a widespread fear concerning Figueroa, and the sense of relief among many ARENA officials when he withdrew his candidacy was palpable.)
- 19. (C) Comment continued: ARENA leadership believes this process will serve to diminish voters' desire for a change of party in the Presidency by offering a change of power within the ruling party instead. In their view, the FMLN winning 2009 presidential elections would threaten El Salvador's constitutional democracy, economic growth and stability. Salvadoran voters will offer their verdict in March 2009. Glazer